AMENDMENTS TO THE CLAIMS

Please amend the claims as follows:

1 – 23 (Cancelled).

24. (Currently Amended). A moving picture prediction system for predicting a moving picture to be implemented in at least one of an encoding and a decoding, the moving picture prediction system comprising:

a plurality of memories that store picture data as a reference for prediction, the plurality of memories being allocated in a reference picture memory area; and

a prediction picture generation section comprising:

a motion compensator that receives a parameter representing a motion of a picture segment to be predicted, and generates a predicted picture by using the picture data stored in the plurality of memories based upon the parameter, and

a memory update unit that updates the picture data stored in at least one of the plurality of memories in the reference picture memory area, and controls the ~~number of the plurality of memories to be used for prediction~~capacity of the reference picture memory area.

25. (Currently Amended) A moving picture prediction method of predicting a moving picture to be implemented in at least one of an encoder or decoder, the moving picture prediction method comprising:

receiving a parameter representing a motion of a picture segment to be predicted;

generating a predicted picture by using the picture data stored in a plurality of memories based upon the parameter, the plurality of memories being allocated in a reference picture memory area;

updating the picture data stored in at least one of the plurality of memories and;

controlling the ~~number of the plurality of memories to be used for prediction~~capacity of the reference picture memory area.

DRA/NYM/kcm